





TIME/DATE PREPARED: 11:00 AM/June 13, 2016

COMPANY: Arizona Public Service Company

AGENDA ITEM NO.: 26

DOCKET NO.:

E-01345A-15-0182

OPEN MEETING DATE: June 14-15, 2016

Arizona Corporation Commission

DOCKETED

JUN 1 3 2016

Page 11, Line 10

INSERT NEW FINDINGS OF FACT:

DOCKETED BY

"34. As part of its 2016 DSM Plan, APS is to develop and propose to the Commission, for approval, within 60 days of the effective date of this Order a residential EE or DR program that incentivizes residential energy storage technology. This technology should primarily aid residential customers to reduce their electricity demand during periods of system peak demand. APS should anticipate spending \$4 million on this program.

35. Residential customers who receive incentives for residential energy storage technology will be placed on advanced, time differentiated rate plans. Traditional inclining kWh-based rates are appropriate for non-technology adopters; however, distributed generation technology requires the sending of more complex price signals that may not be appropriate for traditional customers. An advanced rate designed for technology adopters is needed to ensure a successful program implementation that maximizes benefits to participating customers as well as non-participants. This advanced rate would include proper price signals based on the principles of: 1) an On Peak/Off Peak rate with sufficient rate spread between the two time periods, 2) a manageable On Peak window to allow for adequate "peak shaving," and 3) proper price signals based on seasonality. As such, APS will use rate plans like the ET-SP Rate and other tariffs deemed appropriate by the company for participants in this program.

36. Given the developing nature of this energy storage technology program, the Commission will waive its normal benefit-cost threshold and revisit this measure in the Company's 2018 DSM Plan."

Page 11, Line 12

After "Weatherization" INSERT: ", Energy Storage Technology,"

Page 13, Line 17

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ORP COMMISSION
CKET CONTROL

"IT IS FURTHER ORDERED that APS propose to the Commission, for approval, a residential EE or DR program with a budget of \$4 million that incentivizes energy storage technology, as discussed herein, within 60 days of the effective date of this Order.

IT IS FURTHER ORDERED that APS modify its 2017 DSM Plan within 60 days of the effective date of this order to include the energy storage technology incentive program, as discussed herein, with a budget of \$4 million."

** Make all conforming changes

Passed	THIS AMENDMENT: Passed as amended by	
Failed	Not Offered	Withdrawn